

Focus on Labour Exploitation
(A company limited by guarantee)
Report and Financial Statements
For the year ended 31 March 2024

Charity registration no 1159611

Company registration no 08451701

Focus on Labour Exploitation

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 19
Statement of Trustees' Responsibilities	19-20
Independent Examiner's Report	21-22
Statement of Financial Activities	23
Balance Sheet	24
Notes to the Financial Statements	25 to 33

Reference and administrative details

Trustees	Peter Andrews Vash Arora Claire Falconer Rachel Hewitt Shereen Hussein Ian Robinson Dora-Olivia Vicol (resigned 7 December 2023) Adam Weiss
Principal Office	The Foundry 17 Oval Way London SE11 5RR
Charity number	1159611
Company number	08451701
Bankers	Triodos Bank Deanery Road Bristol BS1 5AS The Co-operative Bank 1 Balloon Street Manchester M60 4EP
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Focus on Labour Exploitation

Report of the trustees for the year ending 31 March 2024

The trustees present their report and accounts for the year ended 31 March 2024.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's memorandum and articles of association, the Charities Act 2011, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard application in the UK and Republic of Ireland (FRS 102).

Our purposes and activities

Our charity's purpose as set out in the objects contained in the company's memorandum of association are:

To promote and advance the human rights of victims of human trafficking, and in particular, those trafficked for the purpose of labour exploitation, in the United Kingdom and throughout the world, by all or any of the following means:

- Monitoring abuses of the human rights of victims of human trafficking;
- Obtaining legal or other redress for abuses of the human rights of victims of human trafficking;
- Research into issues affecting the human rights of victims of human trafficking, and in particular, those trafficked for the purpose of labour exploitation;
- Providing technical guidance, both to Governments and organisations working with victims of human trafficking, on issues concerning the human rights of victims of human trafficking;
- Contributing to the sound administration of laws which protect the human rights of victims of trafficking;
- Commenting on the effect of proposed legislation on the human rights of victims of human trafficking;
- Raising awareness of, and promoting public support for, human rights issues affecting victims of human trafficking;
- Promoting respect for the human rights of victims of human trafficking amongst both individuals and corporations;
- International advocacy of the human rights of victims of human trafficking.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2).

The company works to benefit both current and potential victims of trafficking for labour exploitation, in the UK and worldwide.

The trustees have considered this matter and concluded:

1. that the aims of the organisation continue to be charitable;
2. that the aims and the work done give identifiable benefits to the charitable sector and both indirectly and directly to individuals in need;
3. that the benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay; and
4. that there is no detriment or harm arising from the aims or activities.

Achievements and performance

Throughout 2023/24, FLEX has built on its work to improve national and international responses to better protect and promote the rights of people facing or at risk of exploitation. Achievements are detailed below following the framework provided by FLEX's Strategic Plan 2020-25.

FLEX has a vision of a world free from all forms of labour exploitation, including forced labour and human trafficking. Our mission is to end labour exploitation by challenging and transforming the systems and structures that create vulnerabilities for workers. We do this by undertaking research, knowledge building, business engagement, and evidence-based advocacy aimed at preventing labour abuses, protecting the rights of those affected, and promoting best practice policy responses to labour exploitation. FLEX also conducts strategic comms work to inform the ways in which labour exploitation is spoken about and delivers bespoke training to supporting organisations directly in contact with workers at risk and to statutory agencies.

Our approach:

FLEX's work builds on the understanding that labour exploitation is situated at the extreme end of a spectrum ranging from labour compliance through to labour law violations, culminating at extreme exploitation in the form of offences such as forced labour and human trafficking for labour exploitation. These are at once serious crimes, human rights breaches and violations of labour law. Labour exploitation takes place in every country in the world, and whilst in recent years we have seen a boom of corporate social responsibility initiatives seeking to address risks in global supply chains, state surveillance and legislation remains weak, and exploitation taking place in national contexts remains largely under-researched and misunderstood. As a result, very few of the estimated millions of victims are ever identified and just a fraction of cases result in the prosecution of perpetrators or compensation for survivors.

FLEX recognises that workers at risk of poverty, destitution, discrimination and/or social exclusion are at higher risk of exploitation, and therefore pays particular attention to:

1. **Workers in low-paid and insecure work:** Struggling to make ends meet, low-paid workers are at high risk of falling into debt and facing destitution. Fear of losing work is a major deterrent to reporting abuse and many workers are willing to endure labour abuses and even exploitation. Insecure work arrangements, such as false self-employment and zero-hours contracts, create further instability as workers are not guaranteed an income and can more easily have their work terminated.

2. **Women workers:** Women face additional vulnerabilities related to gendered cultural and structural issues, such as unequal treatment at work, discrimination related to pregnancy and maternity, and gender-based violence and sexual harassment at work. Carrying a disproportionate care burden may push women into more casual employment and make them less able to leave abusive situations. Women are also disproportionately represented in low-paid and precarious work, where they may also face unequal treatment. FLEX's intersectional feminist approach recognises that gender inequality often intersects with other forms of disadvantage to increase women's risk of exploitation.
3. **Migrant Workers:** Migrant workers are also disproportionately represented in low-paid, precarious and informal work. They may also face additional situational vulnerabilities compared to non-migrants, including language barriers, limited support networks and lack of knowledge of labour rights or where to access support. Government policies affecting migrants, such as restrictions on accessing social protections (e.g., no recourse to public funds) create additional vulnerabilities for migrants. Undocumented migrants are particularly at risk of exploitation, especially in contexts where undocumented labour is criminalised.

FLEX works alongside other organisations committed to the rights of vulnerable workers and those working to combat labour exploitation. We are also guided by organisations working with people affected by, or at risk of labour exploitation in the UK, including trafficked persons. These organisations form FLEX's 'Labour Exploitation Advisory Group'.

FLEX is a member of UK-based and global networks of individuals and agencies that share its commitment and values. These include: the UK Anti-Trafficking Monitoring Group, the Ethical Trading Initiative, the Platform for International Cooperation on Undocumented Migrants, the Global Alliance against Traffic in Women, and La Strada International.

FLEX operates on the **values** of:

- **Respect** – for equality and recognition of the role of intersectionality, understood as overlapping or accumulated layers of discrimination, and systemic oppression in creating vulnerabilities and disadvantage.
- **Courage** – to explore, probe, and approach challenges with creativity.
- **Integrity** – thoroughness, rigour and reliability in how we use information to evidence the need for change.
- **Justice** – everything we do is aimed at achieving a more just society.
- **Accountability** – towards those affected by labour exploitation, whose safety, well-being and voice are central to our work.

Our working **principles** are: quality outputs; rigorous and accurate research and reporting; high ethical standards; reflection on our impact; collaborative approach; do no harm.

Top ten achievements we are most proud of this year:

1. We continued building a better understanding of the interactions between **the UK's immigration system and risk of exploitation** by providing government and key stakeholders with analysis and evidence-based research on experiences and drivers of exploitation in different sectors; directly informing the work of key statutory bodies, including the Migration Advisory Committee, the Independent Chief Inspector of Borders and Immigration, the Director of Labour Market Enforcement, and others.
2. FLEX's research findings on the **Seasonal Worker Scheme** and ongoing engagement with the Home Office, the Department for Environment, Food, and Rural Affairs, and Parliament continued to evidence the need for better governance of the scheme and improved conditions for workers and grievance mechanisms.
3. We continued to conduct **outreach to agricultural seasonal workers** with our research partners, ensuring that our research and policy recommendations are directly informed by workers' experiences. In 2023, we produced a series of three thematic reports based on the largest sample of seasonal workers reached by an independent study to date.
4. We have continued working to prevent risks for **Ukrainians in the UK** through different means: by working with partners to reach out to Ukrainian workers on the Seasonal Worker Visa to provide them with information and support; by advocating for the Ukraine schemes to also protect workers on the Seasonal Worker Visa; and by delivering a training programme for local authorities tasked with supporting Ukrainian guests under the Homes for Ukraine scheme.
5. We continued working with workers from high-risk sectors to **improve working conditions across supply chains**. In 2023, we engaged outsourced cleaners in developing a human rights due diligence assessment framework for domestic service sector supply chains. We also launched Europe's first Worker-driven Social Responsibility project; it is taking place in the UK fishing industry.
6. We continued delivering **bespoke training** for statutory bodies and front-line organisations supporting workers and communities represented in at-risk sectors, and trained 62 officials from local authorities across the UK on how to identify risks of exploitation on the Ukraine scheme, and 50 staff members, volunteers, and activists from 4 front line organisations working in London.
7. We continued to mobilise support for the introduction of **secure reporting** mechanisms to ensure that all workers are able to report abuse without fear, with more stakeholders adopting secure reporting recommendations, including parliamentarians, statutory bodies, academics, and NGOs from the anti-trafficking and migrants' rights sectors.
8. We maintained a **strong collaborative approach**, continued to expand our networks, and worked in formal partnerships with a wide range of key front-line organisations, trade unions, academic groups, public bodies, and other stakeholders, such as employers, law firms, and funders.
9. We continued to engage the **staff team in strategic work**. This year we conducted a joint assessment of our progress against our strategic aims. We also developed a Worker Engagement Strategy, which was informed by prior work, as well as objectives and priorities identified by the team.

10. Finally, to mark **FLEX's 10th Anniversary**, we hosted an in-person event attended by many friends and colleagues from across the sector, where we shared a panel with expert speakers and showcased an exhibition shining light over FLEX's top 10 impact areas and the voices of some of the workers who have been at the heart of FLEX's research over the past decade. We also published a visual presentation of the last 10 years, marking key moments in FLEX's own history alongside the historical and political events which have shaped the space in which we exist, and a blog from our CEO with '[Reflections on a decade working to end labour exploitation](#)'.

FLEX has completed the following work against its four core objectives over the past year:

Aim 1: To challenge and positively transform policies, attitudes and practices that drive labour exploitation.

Within this aim FLEX seeks to build understanding and evidence of drivers of labour exploitation, including government policies and business operating models and practices, and of structural inequalities, such as gender and racial discrimination. We also work to build awareness and understanding of drivers of exploitation among decision-makers and key stakeholders. Our media and communications work within this aim has the objective of increasing decision-makers' awareness and understanding of systemic and structural issues creating risks of labour exploitation by shifting media narratives.

The political and policy context has been very unstable during this period, with government, and the Home Secretary in particular, continuing to use anti-migration rhetoric and to promote increased immigration enforcement as a response to trafficking and modern slavery. This has impacted planning for policy and legislative work as government priorities change. FLEX has actively engaged in several legislative processes that took place this year, including those related to **the Victims & Prisoners Bill, the 'Illegal Migration' Act, and the Retained EU Law Act**. During this period, FLEX has also engaged in the now stalled Modern Slavery Strategy review and in challenging the Rwanda scheme, and continued to strengthen its engagement in international advocacy.

A. The 'Illegal Migration' Act

FLEX has facilitated weekly cross-sector civil society meetings on parliamentary advocacy to assist with sector-wide collaboration. Together with a number of other organisations, FLEX put forward a number of probing amendments regarding legal aid, long-term support, international compliance, and secure reporting; the Labour party tabled the long-term support amendment. Additionally, at the earlier stages of the Bill, FLEX worked behind the scenes to avoid 'carve out' clauses which would create a hierarchy of victims, including by coordinating a private letter to the Labour Front Bench from the anti slavery sector (20 organisations including Victim Care subcontractors and support providers) regarding the risks of unintended consequences from amendment 12 which sought to create an exemption for victims of sexual exploitation only.

FLEX has also promoted a wider international obligations amendment to ensure that the Bill does not contravene a number of international instruments including the European Convention Against Torture and the European Convention on Human Rights. FLEX has also produced a number of briefings,

including a joint-civil society master briefing that provided a thematic analysis of the impact of the Bill, which was relied upon by Peers in debate. FLEX has also presented at a number of spaces in relation to the impacts of the Bill on victims and survivors of trafficking, including to the GLA Emergency Summit, Equally Ours, a House of Lords Parliamentary meeting and the networks such as ELAN and MRAP.

We also dedicated significant resource to challenging rhetoric which undermines people who have been exploited, such as unevidenced claims of the UK's slavery systems being 'gamed'. In 2023, we also published a [joint report with UCL on looking back locally on the implementations of the UK's schemes](#).

B. Safer Labour Migration Routes

During this period, FLEX has continued to actively advocate for **safer labour migration routes** into the UK. We have done this by engaging in policy processes and advocacy platforms, as well as by conducting further research to evidence risks and effective impact of the changes on workers, and by identifying actionable solutions.

B1. Seasonal Worker Scheme

In April 2023, the government introduced changes to the **Seasonal Worker Scheme** for horticulture, including a minimum requirement of ensuring 32 hours of paid work a week. A guaranteed minimum income is something that FLEX has been calling for for years; however, the measure was introduced without adequate monitoring and consultation. There has been a lack of transparency on the scheme and a lack of government engagement with civil society. We have continued to highlight the experiences of workers who have been effectively stranded in the UK having incurred debts to migrate and then find themselves without work. The Migration Advisory Committee opened an inquiry into the Seasonal Worker Visa. FLEX have met with the MAC to inform the inquiry; we made a written submission and also met with the Scottish Government to inform their submission.

Together with other NGO partners, [we established the 'Worker Interest Group'](#) with wider general membership including Unite and the Trade Unions Congress (TUC). We have communicated our willingness to work with the industry led Seasonal Worker Taskforce on initiatives to improve the rights of workers on the scheme. We have contacted relevant government stakeholders to make them aware of the group and request regular engagement.

In May, FLEX gave oral evidence to the Lords Horticultural Committee on exploitation faced by workers on the scheme. The Horticultural Committee produced their report, which includes a section dedicated to labour shortages. [FLEX produced a statement](#) welcoming some of the recommendations such as on secure reporting pathways, ensuring access to redress for workers on the scheme and clarifying the responsibilities of government institutions for the scheme. Our subsequent blog on the report explains in more detail that while many of the recommendation by the Committee are welcome, the amount of confusion around the scheme means that some of the recommendations would not make sense in isolation and that [ultimately it is vital that the structural issues within the scheme which expose workers to risk need to be addressed](#).

In September FLEX gave oral evidence to the Joint Committee on Human Rights to inform their inquiry into Human Rights at Work. The Committee had particular interest in the effects of short term restrictive work visas. In January, FLEX gave oral evidence to the Environment, Food, and Rural Affairs Committee's inquiry into Fairness in the Food and Farming sector.

Finally, the FLEX team gave numerous presentations on the issues facing workers on the scheme, including at meetings with government delegations from several sourcing countries, at the Food Ethics Council, and elsewhere.

B2. Health and Care Worker visa

Following the increasing reports of labour exploitation of Health & Care Worker (H&CW) visa holders, FLEX has coordinated an informal coalition of organisations, academics and trade unions working with migrant care workers or migrant care work. This coalition submitted a response to the Independent Chief Inspector of Borders and Immigration (ICIBI) inquiry into adult social care in September 2023, and met with ICIBI officials conducting this inquiry. FLEX coordinated [a joint-position paper](#) on the risks of exploitation in the adult social care sector which contains a comprehensive set of recommendations. These recommendations have been relied upon by groups such as Unison, Citizens' Advice, and Care and Support Workers Organise (CaSWO). FLEX has also secured [media coverage](#) as a result of our letter to the Home Secretary regarding the impacts of government policy and the position paper. Additionally, FLEX's expertise has been sought by stakeholders, including prominent MPs, whose interventions in Parliament have relied heavily on FLEX briefings. FLEX has also sought to engage parliamentarians by asking parliamentarians to table written questions. The coalition has also been a valuable way to share information in the sector, and has allowed organisations to engage directly with each other for support.

In March 2024 FLEX gave oral evidence to the House of Lords Select Committee on the Modern Slavery Act 2015 inquiry in a session which focused on the adult social care sector. The inquiry had intended to report in November 2024 but with the calling of the General Election and dissolution of parliament the Committee ceased to exist.

B3. Overseas Domestic Worker visa

In March 2022 the government pledged, in response to a Low Pay Commission recommendation, and 'when parliamentary time allowed', to amend legislation which allows the Family Worker Exemption. The exemption in the National Minimum Wage Regulations allows live-in domestic workers to be paid little or nothing at all, where they are treated as 'a member of the family'. Over the years, it has been regularly used by abusive employers to exploit their workers and evade justice. Following coalition pressure led by domestic worker led and other specialist organisations including Nanny Solidarity Campaign, Voice of Domestic Workers, Kalayaan, Kanlungan and ATLEU, FLEX supported pressuring the government to make good on its commitment. The government have finally confirmed that the exemption would be removed in April 2024 with an amendment to the regulations having been laid before parliament with a commencement date of 1 April 2024.

C. Improving working conditions across supply chains

FLEX continues to advocate for safer corporate practices and mandatory human rights due diligence (mHREDD) legislation, both in the UK and the EU, by working with relevant networks, including by coordinating the Ethical Trading Initiative NGO Working Group that analysed the proposed EU Directive on mHREDD. As part of this aim, FLEX has also continued to engage in consultation spaces to highlight the impact of lack of accountability on outsourced service staff. For example, we provided written input to the Corporate Transparency Framework (CTF) review process for the Ethical Trading Initiative. Our recommendations included meaningful worker engagement to address the limitations of self-reporting and the importance of including the NGO caucus in assessing corporate members against the CTF.

D. Research

We have also conducted the following research under this aim:

D1. Seasonal workers in UK agriculture:

FLEX established partnerships with three frontline organisations, Rosmini Centre in Cambridgeshire, Citizens Advice in South Lincolnshire (CASL), and the Southeast and East Asian Centre (SEEAC) in London to carry out outreach and research with migrant seasonal agricultural workers. Data collection with workers was done in Russian, Romanian, Nepali, Bulgarian, and Bahasa Indonesia. A total of 403 survey forms and 68 interviews were completed, the largest independent sample of workers on the scheme. FLEX have also interviewed 15 stakeholders, including scheme operators, and has **visited a farm in Hereford** staffed by workers on the Seasonal Worker Visa, where we spoke with the farm manager, supervisors, and workers.

In addition, we attended the Modern Slavery Intelligence Network conference, an industry event attended by many retailers and labour providers, and an event led by a delegation from the Uzbekistan Agency for External Labour Migration, at which we gave a talk on the experiences of Uzbek workers on the Seasonal Worker Visa.

D2. UK agriculture and care visas and vulnerability to exploitation:

FLEX also joined a project led by the [University of Exeter](#), in partnership with the [University of Bristol](#), the [University of York](#), and the [University of Durham](#), as well as NGOs [Joint Council for the Welfare of Immigrants](#) (JCWI), SEEAC, and Kanlungan with support from [UNISON](#). The project aimed to shed light on the impact of recently introduced migration rules under the post-Brexit immigration system on people who migrated to the UK to work in the agriculture and care sectors and their vulnerability to exploitation and modern slavery. Data collection has been completed, including interviews with 20 Indonesian workers on the Seasonal Worker Visa. FLEX presented information about the methodology used in the project, including using a community based research model, at the Labour Law Research Network conference in Warsaw, Poland. A co-creation session with seasonal workers and support organisations to discuss recommendations and findings from the research was held in September 2023. The report, '[UK agriculture and care visas: worker exploitation and obstacles to redress](#)' was published in March 2024.

D3. Identifying structural causes of labour exploitation in the UK agricultural sector

FLEX wrote a chapter in a [report that was published on](#) 10 July by the Landworkers Alliance, which provides an overview of migrant worker's pay and conditions on the UK's Seasonal Worker Visa, with a focus on how to reduce the risk of labour exploitation for workers. This covers financial factors (pay, recruitment fees, etc) and the impact of new migration controls on agricultural workers.

D4. Research on risk of exploitation due to the end of free movement:

This project explores the risk of exploitation in sectors that have previously been highly reliant on migrant workers from the EU. FLEX conducted three focus groups with workers from various immigration and work statuses in the UK to identify risks in the current migration system both before moving to the UK and once in the UK, as well as identifying solutions to solving these problems. These will feed into a blueprint on safe and regular labour migration routes. FLEX also conducted a focus group with NGOs inside the UK to discuss what factors should be present in safe and fair migration routes.

We have also held meetings with expert organisations to discuss a briefing we are planning to write around the right to work for those in the asylum system. The briefing will focus on the application and impact of the current policy restricting asylum seekers' access to work. Data collection for this briefing included 9 interviews with asylum seekers and refugees, a focus group for feedback and validation, and interviews with asylum support caseworkers.

Finally, we have also reached out to businesses in the care, construction, hospitality and agriculture sectors for a briefing on employer practices in the UK's post Brexit immigration system. We wrote a report on shifting employer practices following the end of free movement, based on interviews with recruiters, specialists and trade associations from the care, agriculture and hospitality sectors combined with desk-based research. The report will offer a temperature check on employment in some of the sectors historically reliant on migrant labour.

Aim 2: Ensure that the enforcement of the full range of workers' rights forms part of national and international responses to labour exploitation.

Within this aim, FLEX works to build evidence about the links between severe labour abuses, exploitation and trafficking, and about the impact of labour market enforcement strategies and of the role of marginalised workers in preventing and addressing labour exploitation. We also seek to build understanding of the 'prevention' obligation in state responses to human trafficking for labour exploitation, by advocating for enforcement of labour standards as a central plank of effective anti-trafficking responses.

A. Single Enforcement Body:

FLEX continues to advocate for a stronger labour market enforcement system in the UK. During this period, several political parties have indicated strong support for a Single Enforcement Body (SEB), FLEX has engaged with these parties to inform the development of their policies in this area. For instance, in June 2023, FLEX met with the Liberal Democrat Party Home Affairs team to advise on an anti-trafficking motion for their party conference. This motion includes a recommendation to create

a Single Enforcement Body. LEAG arranged meetings with various Labour Market Enforcement Authorities and highlighted the need for a Single Enforcement Body. FLEX has continued to speak with Labour Party officials, advocating for the creation of a strong Single Enforcement Body. Labour has echoed this language in policy and interventions, including calling for the SEB to include secure reporting pathways. In December, FLEX produced a two-page briefing document outlining key priorities for a SEB for use in policy advocacy regarding the implementation of the SEB.

B. Secure reporting (LEAG):

FLEX has continued to highlight the need for secure reporting pathways for migrant victims with insecure immigration status with various stakeholders, such as the Director of Labour Market Enforcement (DLME), the ICIBI, government departments, and law enforcement (namely the City of London Police) as well as promote this as a key issue for the Home Office's Modern Slavery Stakeholder Engagement forum's prevention work.

Together with Hope for Justice, the Helen Bamber Foundation and the Anti Trafficking and Exploitation Unit (ATLEU), FLEX put forward an amendment on secure reporting for the 'Illegal Migration' Bill (tabled by Lord Alton). We have also supported Latin American Women's Rights Service (LAWRS)-led evidence submission to the Public Bill Committee inquiry on the Victims and Prisoners Bill which advocates for secure reporting pathways. Recommendations for secure reporting have been included in the Horticulture Committee's recommendations regarding the seasonal worker scheme.

LEAG arranged meetings with various Labour Market Enforcement Authorities to develop our understanding of how they engage with migrant workers and engage in soft advocacy regarding the continuum of exploitation and need for secure reporting. Together with LAWRS, FLEX met with the Deputy Mayor of London for Communities and Social Justice, to highlight the need for secure reporting pathways. LEAG has also arranged meetings with various political parties including the Liberal Democrat Party, the Labour Party and the Green Party to advocate for secure reporting policies (as well as other recommendations such as proactive labour market enforcement). LEAG also met with the Welsh Government to advocate for the establishment of secure reporting practices. In November 2022, LEAG submitted evidence to the Policing Priorities Inquiry of the Home Affairs Committee. In November 2023, the Committee published recommendations which included a recommendation for the establishment of secure reporting policies. FLEX has collaborated with JCWI, the Work Rights Centre and LAWRS on the production of a briefing for senior figures within the Labour home affairs team to encourage the adoption of secure reporting policies.

C. Continuum of exploitation (LEAG):

In February 2024, FLEX published a LEAG report entitled: [“So I decided to carry on...”: The continuum of exploitation in practice](#) together with an executive summary. The report outlines the limitations of the modern slavery approach to exploitation, and calls for a preventative approach to be implemented. The publication was supported by the office of the Independent Anti-Slavery Commissioner (IASC) and consisted of a series of case studies, co-produced by 12 survivors of exploitation and the caseworker who supported them. The report was launched at a Parliamentary event with a panel including representatives from LEAG member organisations, Professor Virginia

Mantouvalou and Sam Ireland from the Gangmasters and Labour Abuse Authority (GLAA). The report will be used in advocacy for a preventative approach to exploitation.

In addition to this, FLEX has maintained ongoing engagement with a number of relevant stakeholders, including the GLAA, IASC, DLME, and others.

D. Research:

We have also conducted the following research under this aim:

D1. Participatory research and access to advice services for migrant workers in London

FLEX collaborated on a six month project led by the Young Foundation and funded by the GLA, which aimed to increase the understanding of the support and advice services on offer to migrant workers in London, and consequently develop a strategy to improve access to advice and support for migrant workers experiencing abuse and exploitation in London. This project used a Feminist Participatory Action Research (FPAR) approach. We assisted with hiring and training with six peer researchers across the adult social care, hospitality, and cleaning sectors. The report was launched on the 10th of June in London, with FLEX participating in the panel.

D2. Assessment of the nature and scale of labour market non-compliance in the UK (DLME/UCL project)

This project has been commissioned by the Director of Labour Market Enforcement to provide an assessment of the scale and nature of labour market non-compliance in the UK and to enable more evidence-informed policy and practice in this space. The research is being co-funded by the Department for Business, Energy and Industrial Strategy (BEIS) and the Economic and Social Research Council (ESRC). The study will run from June 2022 until December 2024 and will cover all four of the UK's nations. FLEX provides advice on worker engagement and is organising four worker advisory groups that will help inform the scope of the research, the design of the survey tool, and other elements of the project.

E. Improving working conditions across supply chains

E1. Piloting worker engagement in human rights due diligence - Cleaning

During this period, we recruited two company partners for this project. Focus groups with outsourced cleaners have been completed with reports capturing key points from the discussions produced after each session, which will inform the outputs of the pilot project.

E2. Establishing a Worker-driven Social Responsibility programme for UK Fishing

Worker-driven Social Responsibility is an exciting model for tackling labour abuses and exploitation in corporate supply chains, with more than a decade of proven results in industries ranging from agriculture to textiles. In February 2024, the pilot was officially launched. Project partners include: the International Transport Federation (ITF), the Coalition of Immokalee Workers (CIW), the Fair Food Standards Council (FFSC), Tufts University, Dr. Jess Sparks, and FLEX. This project will involve

collaboration among several key stakeholders including retailers, vessel owners, human rights experts and local community organisations.

Aim 3: To mobilise cooperation in addressing labour exploitation by providing leadership and expertise across sectors.

Within this aim FLEX has the following objectives: To develop methodologies for engagement with ‘experts by experience’ and foster recognition of their role as key for driving effective change; to develop awareness about labour exploitation and its prevention among key stakeholders, such as civil society networks and platforms; and to leverage national, international and global networks to hold governments to account and advocate for the rights of victims of trafficking for labour exploitation. Our media and communications work under this aim seeks to diversify the voices and actors represented in media coverage about labour exploitation and to support the empowerment of people affected, as well as to challenge unevidenced rhetoric around slavery and the UK’s systems being too generous or ‘abused’.

A. Improving worker engagement:

During this period, FLEX created a dedicated role for the development and implementation of an organisational-wide Worker Engagement Strategy. Drawing on FLEX’s prior experience and learnings, this strategy aims to identify areas and opportunities in FLEX’s work for greater, more streamlined worker engagement. This process involved:

- Mapping lived experience engagement models across the refugee & asylum, trafficking and migration sectors and reviewing related literature for lessons and examples to follow. As a result, 9 approaches were identified, which have been taken across 49 organisations. An initial assessment of why these have been effective or less effective depending on the context was also conducted, along with some informational interviews with those conducting such work at comparable organisations, as well as with FLEX staff to understand the context and approaches taken previously.
- Engagement with FLEX staff to build a collective understanding of, and approach to, worker engagement at FLEX.

In addition to this, we continued disseminating the learnings from our implementation of a Feminist Participatory Action research approach (FPAR) and encouraging others to explore ways to engage workers as Peer Researchers and to adopt more participatory research approaches.

B. Strengthening the Labour Exploitation Advisory Group (LEAG):

FLEX continued to support the implementation of LEAG’s strategy (see Aim 2). In addition, key outputs from LEAG during this period have included:

- Evidence submission to the Joint Committee on Human Rights inquiry on human rights at work.
- A series of advocacy meetings with various Labour Market Enforcement Authorities in order to develop relationships, build a better understanding of practices and advocate on key issues including secure reporting and the Single Enforcement Body.

- Advocacy meetings with the various political parties in the UK in order to encourage them to adopt a preventative approach to trafficking ahead of the next General Election.

During this period, FLEX has also started planning an evaluation of LEAG's first 10 years of work ahead of its anniversary in 2025.

C. Detention Taskforce:

The Taskforce continues to be Chaired by the Helen Bamber Foundation, who work closely with FLEX in our role to coordinate and host the Taskforce. The Detention Taskforce has been actively engaged in challenging the 'Illegal' Migration Bill. In March 2023, the Taskforce produced a briefing for the second reading of the Bill, and members have utilised this coalition in order to coordinate amendments and briefings, including amendments challenging indefinite detention and violations of the UK's international obligations. Further, the Taskforce has sought to share information relating to, and increase awareness of, the impacts of the Nationality and Border Act, such as the Public Order Disqualification within and across sectors. For instance, recognising the limited knowledge of the Public Order Disqualification among legal practitioners we are currently in conversation with the Network for Justice to share information with their network on this issue, and its impacts on victims and survivors of trafficking.

FLEX and the Helen Bamber Foundation produced a briefing on Taskforce priorities for the Independent Anti-Slavery Commissioner to encourage the IASC to undertake work on these areas. Additionally, the Taskforce produced an [evidence submission to the ICIBI's inspection on the Immigration Enforcement Competent Authority](#), building on its work of the 'Bad Decisions' briefing of 2021. The Taskforce also met with the ICIBI's office to highlight the issues that members have been seeing on the ground in relation to the IECA. The Detention Taskforce also started producing a policy asks document for use in campaigning during the General Election and to influence the Programme for Government following the election.

D. Training statutory bodies and front-line organisations to increase their capacity to identify and respond to labour exploitation:

FLEX delivers a bespoke **training programme for front line organisations** that aims to build their capacity to identify and support beneficiaries with employment issues across the continuum of exploitation, including employment rights issues, identifying and referring potential modern slavery, and accessing specialist advice and support.

This year, we trained over 50 staff, volunteers and activists across four partner organisations: Nanny Solidarity Campaign, St Mungo's, Room to Heal and Praxis. These organisations reflect this project's aim to work with those supporting groups of workers who are less likely to access mainstream support services on employment issues, such as migrant workers. All 48 training workshops for the three years have been completed and two new training resources were developed: a poster representing the continuum of exploitation, and an online resource about the National Referral Mechanism's changes over time.

During this period, we completed the delivery of our training programme for local authorities focused on identifying and dealing with **risks of labour exploitation for displaced Ukrainians** arriving or

remaining in the UK on the various schemes government opened in response to the invasion of the country. This training programme reached 62 participants from a range of local authorities and the police. We also delivered a presentation on risks of exploitation under the Homes for Ukraine scheme at a safeguarding webinar hosted by the Department of Levelling Up, Housing and Communities which was attended by almost 200 government employees. In person training was also delivered with North Northamptonshire council's communities and wellbeing team. Finally, FLEX has responded to training requests from other stakeholders.

Overall, our training programme engaged over 450 participants this year.

E. Supporting the wider movement:

FLEX is a member of key international advocacy networks, including the Global Alliance Against Trafficking in Women (GAATW), LaStrada International (LSI), and the Platform for International Cooperation on Undocumented Migrants (PICUM). In the UK, FLEX is a member of the Ethical Trading Initiative, the Corporate Justice Coalition (CJC), the Anti-trafficking Monitoring Group, the Human Trafficking Foundation forums, Trust for London's Employment Legal Advice Network (ELAN), the BME Anti-Slavery Network (BASNET), and the Crossborder Forum (CBF), and FLEX is a supporter of Unchecked UK. At the London level, FLEX is also a member of the Migration and Refugee Advisory Panel (MRAP), which operates as an expert panel to advise the work of the London Strategic Migration Partnership (LSMP) and the GLA's social integration team, and to inform other relevant GLA teams on issues related to migration, asylum and refugees. FLEX also sits at the Mayor's Equality Diversity and Inclusion Advisory Forum, representing the MRAP.

During this period, FLEX worked in collaboration with key partners on numerous joint advocacy actions in support of the wider movement for change, including 13 joint letters, and FLEX supported several statements led by others. For instance, FLEX was engaged by the TUC in relation to their response to the government's proposal to re-introduce fees at the Employment Tribunal. FLEX supported the drafting of the TUC statement and highlighted the impacts on at-risk workers. FLEX also worked to build wider engagement with the migrant justice sector and invited organisations to contribute to the joint statement. The Guardian produced an article on the back of the statement, which secured 48 signatures.

Aim 4: To ensure that FLEX is able to respond to the interests of actual and potential victims of human trafficking for labour exploitation.

During this period, we have continued working to progress the aims of FLEX's Business Plan 2020-2025. This objective relates to maintaining a healthy and productive working environment, for which this year we completed a review of all HR policies, including FLEX's policy on Family, Absence and Sickness, Safeguarding, etc. This review introduced several improvements, such as paid time off for dependents, bereavement leave, and a new Staff Wellbeing policy, among others. We have also held an in-person team building away day and an 'end of the year' dinner, where the staff team and trustees met to celebrate 2023, and we piloted a 'no meetings week' to support staff wellbeing and help reduce stress. FLEX has started transitioning its HR systems onto a software to facilitate HR processes. Finally, FLEX continued developing its internal capacity and, during this period, created the

following roles: HR and Ops Administrator, Worker Engagement Officer, Research Assistant, Communications Officer role, Outreach and Engagement Manager, and two Outreach Workers.

The team also held a Strategy Away Day, where we reflected on the progress made towards our four Strategic Aims, the changing political landscape, and identified key priorities for the following year.

During this period, we also celebrated FLEX's 10th Anniversary with an in-person event that brought together approximately 50 guests from across the anti-trafficking, migrant care and workers' rights sectors as well as partners from FLEX's research, policy and advocacy work, funders and businesses and statutory agencies. The evening included a panel of expert speakers including FLEX's CEO and Head of Policy, a Peer Researcher with lived experience, an investigative journalist with a significant portfolio of work on exploitation in UK agriculture and a guest speaker from the Detention Taskforce. The event included an exhibition to showcase the primary areas of FLEX's work over the past decade and highlighted the key focuses of our policy and research work, and presented quotes from workers and people with lived experience of exploitation who have participated in FLEX's research.

To mark its 10th anniversary, FLEX also launched its new website, which now includes direct links to our new Training Portal and publication browser, thematic pages by area of advocacy (e.g, labour migration, workers' rights, supply chain, etc.). The website also features our refreshed branding and colour palette.

This objective also related to our commitment in ensuring that our work is informed and accountable to people affected by or at risk of labour exploitation. During this period, FLEX created the above-mentioned 'Worker Engagement Officer' role dedicated to developing an internal strategy to improve the ways in which our team engages workers in its work, and to explore ways in which people affected by labour exploitation can influence and/or take part in our organisational decision-making process.

Finally, this objective relates to our sustainable funding strategy and over the past year FLEX has maintained its financial sustainability, developing existing work and new partnerships with the support of existing and new funders. We have worked hard to counterbalance the sustainability risks brought up by higher inflation rates and to diversify our income streams through statutory and corporate funding, as well as cross-sectoral partnerships.

We delivered formal partnership projects with a total of 19 organisations, including Rosmini Community Centre in Cambridgeshire, Citizens Advice South Lincolnshire (CASL), Landworkers Alliance, Unison, Southeast and East Asian Centre (SEEAC), IRMO, Asian Women Resource Centre, Voice of Domestic Workers, International Transport Federation (ITF), Coalition of Imokalee Workers, Tufts University, and various LEAG members working in London, including LAWRS, Work Rights Centre, and Kanlungan. We also delivered three partnership projects with academics from Nottingham University Rights Lab, Exeter University, and UCL. Finally, during this period FLEX continued exploring opportunities for income-generation, which will support its aim to continue building a robust and sustainable organisation. We are grateful to all our partners for their collaboration with FLEX.

In terms of our external communications, during this period **FLEX has provided background information to numerous press pieces and featured in the media 54 times, including the following pieces:**

- **Euro News**, 10 April 2023, [Britain's growing slavery problem fuelled by 'culture of fear', say experts.](#)
- **The Grocer**, 12 May 2023, ['Simplify Seasonal Worker scheme to limit abuse' say humans rights experts.](#)
- **Evening Standard**, 12 June 2023, ['Report reveals 'shocking' exploitation of migrant workers in London.](#)
- **Context News**, 14 July 2023, [Context Migrant Workers in UK trapped by Recruitment Bondage](#) (Thomson Reuters Foundation).
- **Open Democracy**, 19 July 2023 [Why have the Tories abandoned victims of Modern Slavery?](#)
- **Politics Home**, 19 December 2023, [Home Office warned migrant workers face exploitation risks.](#)
- **Financial Times**, 20 January 2024, [UK Seafood Industry Cracks Down on exploitation of overseas crew.](#)

We have posted 50 pieces on our website, including blogs, statements and responses to government reports, enquiry submissions, announcements, and guest blogs. Key pieces include:

- A [Briefing](#) from the Taskforce on the Illegal Migration Bill ahead of the Second Reading.
- An [analysis](#) of the UK country section of the US Trafficking in Persons Report.
- A [joint civil society briefing](#) on the Illegal Migration Bill.
- A [briefing](#) on the illegal Migration Bill ahead of Committee Stage .
- A FLEX [research report](#), Rights and Risks: Migrant labour exploitation in London.
- A [guest blog](#) written by an academic from Tufts University and the International Transport Workers Federation.
- A [Joint Statement](#) by 128 civil society orgs and FLEX, on the Supreme Court's Rwanda ruling.
- FLEX's full [response](#) to the House of Lords Horticultural Committee report, in the form of an explanatory blog piece by Kate Roberts and Jacob Bolton.
- FLEX's [submission to the Migration Advisory Committee \(MAC\)](#) on the Seasonal Worker Visa.
- A [blog piece](#) marking FLEX's 10 Year Anniversary, reflecting on the key achievements and challenges over the decade. We also published [our 10 Year History: A timeline](#) of FLEX's first 10 years, to mark FLEX's 10 year anniversary.
- A [Policy Briefing](#) on what an effective Single Enforcement Body looks like.
- A [Joint Letter](#) written and coordinated by FLEX to the Home Secretary on preventing the exploitation of workers on the Health & Care Worker Visa.
- A [blog](#) announcing the FLEX's joint launch of Europe's first Worker Driven Social Responsibility pilot.
- LEAG's [report](#) *'So I decided to carry on...':The continuum of exploitation in practice'*.

Financial review

The charity's income increased to £711,911 (2023: £618,436). The charity was able to increase the number of grants in the year including working with new funders.

Total expenditure was £616,262 (2023: £469,189 (2022) resulting in a net surplus for the year of £95,649 and total reserves of £611,132. Unrestricted reserves increased to £273,103 (2023: £253,032).

Investment powers and policy

The charity is seeking to build reserves in line with the charity's reserves policy (see below). As most of the charity's funds are to be spent in the short term there are currently no funds available for long-term investment. Investment income earned during the year relates to interest on the charity's bank account.

Reserves policy and going concern

The surplus for the year increased the charity's unrestricted reserves to £273,103. The Trustees designated £25,000 of unrestricted reserves to support enhanced paternal leave and sickness pay in 2022 and this remains in place at 31 March 2024. The unrestricted reserves are in line with the reserves target, to cover 3 months operating cost (£198,634).

The Trustees are confident that the charity has adequate resources to operate for the foreseeable future due the unrestricted reserves and the level of secured income for the next financial year.

Plans for future periods

FLEX's work plans for the period to 2025 are derived from its Strategic Plan 2020-25, and are focussed on strengthening worker engagement and comms work to support the promotion of its unique expertise and approach to the prevention of trafficking for labour exploitation at the national and international level.

Our plans include conducting rigorous research, developing policy recommendations, engaging people with lived experience, working with businesses and employers to identify concrete actions that respond to workers' priorities, increasing stakeholders' capacity to prevent, identify and address exploitation; and building networks and opportunities for international advocacy. For 2024/25, some of the key areas of focus for FLEX will include:

- Continuing evidencing the risks of the new immigration system and working to inform safer labour migration routes, and actively engaging in advocacy work to increase understanding of these risks and improve protections for workers;
- Continuing FLEX's research and participatory work in high-risk labour sectors, including some of the most overlooked sectors, such as fishing and dark kitchens;
- Engaging in key advocacy processes, including key Parliamentary enquiries, as well as the new government's legislative agenda;
- Strengthening our engagement of experts by experience across all areas of FLEX's work by implementing our new Worker Engagement Strategy.

- Continuing to develop our networks and investing in increasing mutual capacity to jointly work towards preventing labour exploitation;
- Continuing delivering a project to explore mechanisms for a stronger worker engagement approach to corporate accountability;
- Launching Europe's first Worker-driven Social Responsibility programme in north-east Scotland.
- Increasing our visibility through high-profile strategic communications work.

Reference and administrative details

Charity number (England and Wales): 1159611

Company number: 08451701

Registered and Principal Office: The Foundry, 17 Oval Way, London, SE11 5RR

Our advisors

Bankers Triodos Bank, Deanery Road, Bristol, BS1 5AS

The Co-operative Bank, 1 Balloon Street, Manchester, M60 4EP

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law.

The trustees and officers serving during the year and since the year end were as follows:

Chair Adam Weiss

Elected Trustees Peter Andrews
Vash Arora
Claire Falconer
Rachel Hewitt
Shereen Hussein
Ian Robinson

Key management personnel:

Chief Executive Lucila Granada

Structure, Governance and Management

Governing Document

The organisation registered as a charity on 15 December 2014. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £50.

Trustee induction and training

New trustees are inducted through a meeting with management. Trustees are provided with a copy of the FLEX Trustees Terms of Reference and the Charity Commission's introductory guidance for trustees. New trustees are also asked to complete a personal details form, a declaration of interests, and a skills audit to identify training needs. All trustees are regularly offered training on matters concerning governance.

Organisation

The trustees meet on a quarterly basis and oversee the strategic direction of the charity. The day to day operations and management is delegated to the Chief Executive Officer.

Related parties

None of our trustees receive remuneration or other benefit from their work with the charity.

Pay policy for senior staff

The Board's Remuneration Committee determines the salary of the Executive Director and sets pay scales for all staff. The FLEX Trustees Terms of Reference set out the Terms of Reference for the Remuneration Committee. The Committee includes the Treasurer and at least one other trustee, and meets once a year to review the salary of the Executive Director and pay scales, and make recommendations to the Board.

Risk management

The trustees have reviewed the major risks to which the charity is exposed. A risk register has been established which is updated annually. Where appropriate, systems or procedures have been established to mitigate the risks and these are periodically reviewed to ensure that they continue to meet the needs of the charity. The trustees deem that appropriate measures are currently in place to mitigate risk, particularly in the light of the on-going difficult economic environment.

Trustees' responsibilities in relation to the financial statements

The trustees (who are also the directors for the purpose of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees must prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) observe the methods and principles in the Charities SORP;
- c) make judgments and accounting estimates that are reasonable and prudent;
- d) state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees confirm that so far as they are aware, there is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which the charitable company's auditors are unaware. They have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

By order of the board of trustees

Adam Weiss

DATE: 23rd September 2024

Independent Examiner's Report to the trustees Focus on Labour Exploitation

I report to charity trustees on my examination of the accounts of the charity for the year ended which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charity trustees of Focus on Labour Exploitation you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Focus on Labour Exploitation's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of Focus on Labour Exploitation as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
Timothy Sullivan FCA
ICAEW

9 Hare & Billet Road
Blackheath
SE3 0RB

Date: 1 October 2024

Statement of Financial Activities for the year ending 31 March 2024

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Income:					
Donations	3	95,030	606,275	701,305	612,271
Income from other trading activities:					
Consultancy fees		8,186	-	8,186	5,497
Investment income	4	2,420	-	2,420	668
Total income		105,636	606,275	711,911	618,436
Expenditure					
<i>Expenditure on charitable activities:</i>	5	85,565	530,697	616,262	469,189
Total expenditure		85,565	530,697	616,262	469,189
Net movement in funds for the year		20,071	75,578	95,649	149,247
Reconciliation of funds					
Total funds brought forward		278,032	237,451	515,483	366,236
Total funds carried forward		298,103	313,029	611,132	515,483

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Balance sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	9	5,679	686
Total Fixed Assets		<u>5,679</u>	<u>686</u>
Current assets			
Debtors	10	3,399	19,461
Cash at bank and in hand		644,132	510,912
Total Current Assets		<u>647,531</u>	<u>530,373</u>
Liabilities			
Creditors falling due within one year	11	(42,078)	(15,576)
Net Current assets		<u>605,453</u>	<u>514,797</u>
Total assets		<u>611,132</u>	<u>515,483</u>
The funds of the charity:			
Designated funds		25,000	25,000
Unrestricted funds		273,103	253,032
Restricted funds	12	313,029	237,451
Total charity funds		<u>611,132</u>	<u>515,483</u>

For the financial year ending 31 March 2024 the charity was entitled to exemption from audit under section 447 of the Companies Act 2026 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The notes at pages 27 to 35 form part of these accounts

Adam Weiss, on behalf of the trustees

Approved by the trustees on 23rd September 2024

Notes on the accounts

1 Accounting policies

1.1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £50 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

The Foundry
17 Oval Way
London
SE11 5RR

1.2 Basis of Preparation of the accounts

The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006

Focus on Labour Exploitation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s)

1.3 Preparation of the accounts on a going concern basis

The unrestricted reserves are above the reserves target, the charity has secured a good level of income for 2021-22 and has a positive cash flow. As a result the Trustees are confident that the charity has adequate resources to operate for the foreseeable future.

1.4 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Gifts and services in kind are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Grants are recognised in full in the Statement of Financial Activities in the year in which they are receivable or any requirement imposed on the grant is fulfilled.

Investment income is recognised on a receivable basis.

1.5 Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Fundraising costs are those costs incurred in attracting voluntary income, in particular grant funding and the costs of maintaining the charity's profile within the sector.

Expenditure on charitable activities includes the cost of policy and research work undertaken to further the purposes of the charity and their associated support costs.

1.6 Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures & fittings	20% Straight line
Computer equipment	33% Straight line

1.8 Fund accounting

Unrestricted funds are general funds that are available for the use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.9 Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

1.10 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

1.11 Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

2 Statement of Financial Activity – comparative figures to 31 March 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Income:					
Donations	3	94,652	517,619	612,271	452,792
Income from other trading activities:					
Consultancy fees		5,497	-	5,497	14,235
Investment income	4	668	-	668	92
Total income		100,817	517,619	618,436	467,119
Expenditure					
<i>Expenditure on charitable activities:</i>	5	75,796	393,393	469,189	386,310
Total expenditure		75,796	393,393	469,189	386,310
Net movement in funds for the year		25,021	124,226	149,247	80,809
Reconciliation of funds					
Total funds brought forward		253,011	113,225	366,236	285,427
Total funds carried forward		278,032	237,451	515,483	366,236

3. Donations

	2024	2023
	£	£
Barrow Cadbury Trust	13,900	31,000
Esmee Fairbairn Foundation	-	55,000
Trust for London	47,950	32,225
John Ellerman Foundation	37,868	36,603
Joseph Rowntree Charitable Foundation	48,710	95,492
Justice Together	137,500	145,304
The Oak Foundation	36,912	38,640
Unbound Philanthropy	50,000	40,000
Paul Hamlyn Foundation	-	54,890
Ethical Trading Initiative	-	3,290
City Bridge Trust	34,100	37,129
The Landworkers' Alliance	-	7,500
Humanity United	236,712	-
Ethical Consumer	19,525	-
The Scottish Ministers	-	17,056
AB Charitable Trust	20,000	-
University of Exeter	17,878	15,093
Other gifts	250	3,349
	<u>701,305</u>	<u>612,571</u>

Total donations were £701,305 (2023: £612,571) of which £95,030 (2023: £94,952) was unrestricted and £606,275 (2023: £517,619) was restricted.

4. Investment income

	2024	2023
	£	£
Interest received	2,420	668
	<u> </u>	<u> </u>

5. Analysis of expenditure on charitable activities

Description	Charitable Activities	2024	2023
	£	£	£
Direct costs	123,179	123,179	93,156
Direct salary costs	432,432	432,432	332,197
Depreciation	3,522	3,522	950
Support costs:			
<i>Rent</i>	28,322	28,322	24,498
<i>Financial consultancy</i>	6,585	6,585	5,228
<i>Payroll and recruitment costs</i>	3,228	3,228	551
<i>Travel & accommodation</i>	3,521	3,521	3,047
<i>Insurance</i>	2,320	2,320	1,900
<i>General office</i>	10,901	10,901	5,985
<i>Independent examination/Audit fee</i>	2,250	2,250	1,980
Total	616,261	616,261	469,490

Expenditure on charitable activities was £616,261 (2023: £469,490) of which £85,565 (2023: £28,032) was unrestricted and £530,697 (2023: £358,278) was restricted.

The amount paid to the auditor for their external scrutiny was £2,250 (2023: £1,650).

6. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2024	2023
	£	£
Salaries and wages	392,175	303,432
Social security costs	30,141	21,715
Pension costs	10,116	7,050
	<u>432,432</u>	<u>332,197</u>

One employee had employee benefits in excess of £60,000 (2023: nil).

The charity trustees were not paid or received any other benefits from employment with Focus on Labour Exploitation. No trustees were reimbursed expenses during the year and no trustees were reimbursed in the prior year. No charity trustee received payment for professional or other services supplied to the charity (2023: nil).

The key management personnel comprises the Chief Executive and their total benefits during the year were £63,665 (2023: £59,500).

7. Staff numbers

The average monthly head count was 9 (2023: 9.5 staff).

8. Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

9. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost at 31 March 2023	1,038	5,790	6,828
Additions	-	8,515	8,515
Disposals	-	(892)	(892)
Cost at 31 March 2024	<u>1,038</u>	<u>13,413</u>	<u>14,451</u>
Depreciation			
At 31 March 2023	1,038	5,104	6,142
Charge for the year	-	3,522	3,522
Disposals		(892)	(892)
At 31 March 2024	<u>1,038</u>	<u>7,734</u>	<u>8,772</u>
Net book value			
At 31 March 2024	<u>-</u>	<u>5,679</u>	<u>5,679</u>
At 31 March 2023	<u>-</u>	<u>686</u>	<u>686</u>

10. Debtors

	2024 £	2023 £
Trade Debtors	-	15,093
Prepayments and accrued income	<u>3,399</u>	<u>4,368</u>
	<u>3,399</u>	<u>19,461</u>

11. Creditors: amount falling due within one year

	2024 £	2023 £
Trade Creditors	7,278	1,462
Accruals	17,384	7,230
Taxation and social security	10,122	5,115
Other creditors	7,294	1,769
	<u>42,078</u>	<u>15,576</u>

12. Movement in funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

Current period	Balance at 01-Apr 2023	Incoming resources	Resources expended	Balance at 31-Mar 2024
	£	£	£	£
Restricted funds				
Barrow Cadbury Trust	18,086	13,900	(29,255)	2,732
Trust for London	114	47,950	(46,259)	1,805
Paul Hamlyn Foundation	55,408	-	(34,599)	20,809
Unbound Philanthropy	27,307	50,000	(41,859)	35,448
Ethical Trading Initiative	822		(822)	-
University of Exeter	-	17,878	(17,878)	-
Joseph Rowntree Charitable Foundation	57,976	48,710	(106,686)	-
City Bridge Trust	14,530	34,100	(45,820)	2,810
Tides	23,410	-	(23,410)	-
Justice Together	39,798	137,500	(177,298)	-
Humanity United	-	236,712	(4,551)	232,161
Ethical Consumer	-	19,525	(2,261)	17,264
Total restricted funds	237,451	606,275	(530,697)	313,029
Unrestricted				
Unrestricted general fund	253,032	105,636	(85,565)	273,103
Unrestricted designated fund (Enhanced leave fund)	25,000	-	-	25,000
Total funds	515,483	711,911	(616,262)	611,132

The trustees designated a portion of unrestricted funds to be set aside to provide enhanced paternal and sick leave payments. The Trustees review and approve transfers to this fund at the year-end as required.

Prior period	Balance at 01-Apr 2022	Incoming resources	Resources expended	Transfer	Balance at 31-Mar 2023
	£	£	£	£	£
Restricted funds					
Barrow Cadbury Trust	21,006	31,000	(33,920)	-	18,086
Trust for London	-	32,225	(32,111)	-	114
Paul Hamlyn Foundation	42,578	54,890	(42,060)	-	55,408
Unbound Philanthropy	26,828	40,000	(39,521)	-	27,307
Ethical Trading Initiative	825	3,290	(3,293)	-	822
University of Exeter	-	15,093	(15,093)	-	-
Joseph Rowntree Charitable Foundation	13,744	95,492	(51,260)	-	57,976
City Bridge Trust	8,244	37,129	(30,843)	-	14,530
Tides	-	38,640	(15,230)	-	23,410
Justice Together	-	145,304	(105,506)	-	39,798
The Scottish Ministries		17,056	(17,056)	-	-
The Landworkers Alliance		7,500	(7,500)	-	-
				-	-
Total restricted funds	113,225	517,619	(393,393)		237,451
Unrestricted					
Unrestricted general fund	228,011	100,817	(69,757)	(6,039)	253,032
Unrestricted designated fund (Enhanced leave fund)	25,000	-	(6,039)	6,039	25,000
Total funds	<u>366,236</u>	<u>617,644</u>	<u>469,489</u>	<u>-</u>	<u>515,483</u>

The purpose of each restricted fund is as follows:

- Barrow Cadbury Trust: to support policy advocacy work
- Trust for London: to work in London to prevent trafficking and to promote best practice responses
- Paul Hamlyn Foundation: to support research into three high risk labour sectors for EEA workers
- Unbound Philanthropy: for research on the impact of Brexit on EEA workers vulnerability to exploitation
- The Scottish Minsters: for outreach to workers in farms to provide support and gather evidence of the experiences of workers in the horticulture sector.
- Ethical Trading Initiative: to participate in ETI activities.
- Esmee Fairbairn Foundation: to support core operational costs and delivery of capacity building for local authorities.
- Joseph Rowntree Charitable Foundation: to develop and pivot a worker-driven model for assessing corporate human rights due diligence and provide a trial
- City Bridge Trust: to build capacity of organisations supporting London communities at risk of labour exploitation, modern slavery and trafficking.

- Oak Foundation: funding to support the cost of the annual audit
- Justice Together: funding to work to make current and future short-term work visas fairer and safer
- University of Exeter: funding to research into immigration rules and labour policies
- Landworkers' Alliance: funding to research structural causes for poor working conditions in the conventional agricultural sector
- Humanity United and Ethical Consumer:

13. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total £
Funds balances at 31 March 2024 are represented by:			
Tangible Fixed Assets	5,679	-	5,679
Current Assets	334,502	313,029	647,531
Creditors: amounts falling due within one year	(42,078)	-	(42,078)
	<u>298,103</u>	<u>313,029</u>	<u>611,132</u>

	Unrestricted Funds £	Restricted Funds £	Total £
Funds balances at 31 March 2023 are represented by:			
Tangible Fixed Assets	686	-	686
Current Assets	287,822	242,551	530,373
Creditors: amounts falling due within one year	(15,576)	-	(15,576)
	<u>272,932</u>	<u>242,551</u>	<u>515,483</u>